

COMMITTEE ON LANDS AND BUILDINGS

April 2, 2001

6:00 PM

Chairman Cashin called the meeting to order.

The Clerk called the roll.

Present: Aldermen Cashin, Gatsas, Levasseur, Shea, Thibault

Messrs: Aldermen Pinard, O'Neil, Lopez, Vaillancourt, Hirschmann,
R. MacKenzie, L. LaFreniere, J. Taylor, K. Clougherty,
Mayor Baines, W. Jabjiniak, T. Wallace

Chairman Cashin addressed Item 3 of the agenda:

Report on Senior Center to be presented by Robert MacKenzie, Director of Planning.

Mr. MacKenzie stated I want to briefly review who has been involved in some of the analysis and what is available in your package. Again, several staff members have been involved in this and many of those people are here tonight. We have Jay Taylor who has been assisting on the sites and the appraisals. We have Kevin Clougherty from Finance who has worked on the analysis and the scenarios. We have Dennis Anctil from the Highway Department who has worked on some of the utility analysis for the different sites. We have Tom Wallace who is consultant to us and in a minute I am going to ask him to provide some information on a summary. We also have Bill Jabjiniak who is the Destination Manchester Coordinator and has been sitting in on the projects. Leon LaFreniere has also worked with us along with Tom Clark and Barbara Vigneault from Elderly Services. The staff is all assembled tonight and hopefully we can answer all of your questions. We have tried to put in this package all of the questions we have heard to date and we will be going over the information with you. Again, everybody is here to provide that information. In this yellow package you will see several bits of information. One is that once the program was revised to 15,000 square feet at the Board's request, our architect did work with Barbara at Elderly Services to see if it could fit into a 15,000 square foot footprint. Based upon their reviews, it did seem possible. They were sacrificing certain pieces, but they could come up with a workable program at 15,000 square feet. For the Singer site we have a number of bits of information from a revised site plan using 15,000 square feet as a foot print. We have soil borings that were requested to determine the soil

suitability. We also have a preliminary analysis of those borings by a soils engineer. There is a letter from me to the Riverfront Park Foundation that talked about some of the things that we had reviewed when I met with the Foundation and a memo from Highway outlining the permits required. On the Sears site we did evaluate whether a new building could be built on the site. That is shown in the analysis. The so-called Teamster's building on Maple Street we also showed a site plan of how it could be expanded as well. There is also a floor plan and correspondence from Parks & Recreation who had some issues and wanted those on record. Next we did not include in the package the actual appraisals. We did that after consultation with several City staff. When you are dealing with private properties there is some concern about doing that in the public. Once you reveal a price of the appraisal that becomes the minimum price and we wanted to protect the City's opportunity in case one of these sites are selected to go in and negotiate the best price for the City. We do have a cost summary, which identifies the different scenarios that were requested by the Board. Again, in that cost summary we have blocked out certain pieces of information related to appraisal. Finally in the package is a bond analysis for each of the four costs that came up along with the financial analysis. I would note that the Finance Department has been working to finalize and refine those numbers and Kevin Clougherty is here and does have a revised spreadsheet that we will hand out in a bit. Next I would like to turn it over to Tom Wallace. His going to briefly review the revised floor program for the senior center and then he is going to briefly show you the analysis of how these would fit on the three revised sites.

Mr. Wallace stated before we get into the three different options that we looked at, Bob mentioned that the first thing we had to do was come up with some revisions to the original program that we had developed in our study last year and develop a new program that would fit in a 15,000 square foot building. I met with Barbara Vigneault and went through that with her. She went back and spent some time and came back to me with a revised program that was just about 15,000 square feet. I reviewed it with her and it seemed like it was something workable to me. As Bob had mentioned, there were several things that had to be sacrificed in going from 24,000 to 15,000 square feet. Just to highlight those, there were a couple of things that Barbara did that accomplished that. First, in the original program we had what was called an adult daycare wing. The new program has eliminated that for the time being although as we were discussing it the thought was that that was something that might be added as a future expansion. Currently, there is no program offered that would handle that and it probably would be several years before any kind of a program like that could be developed and offered. It was thought that for the time being that could be eliminated from the program. The second probably major thing that changed was that in the original building we had a multi-purpose room of about 4,800 square feet and the revised building reduced that size down to 3,500 square feet. So, we went from a room of about 60' x 80'

to one that was 50' x 70'. The other changes were some combinations and efficiencies in some of the program rooms and some reductions in the administrative area – square footage. By going through those, Barbara came up with a program of just under 15,000 square feet so that is what we used in the planning of the three options that you will see. I am going to come up here and I will start with the Singer site. You can see a site plan up here. Now we had, last year when we did the study we developed two different plans on this particular site. This one is slightly different although it has a lot of the same characteristics. One of the things that we did on this plan, however, is this is a one-story building whereas the ones we developed last year had a couple of levels on each of the two different studies. This one is based actually on a footprint that Barbara came up with. When she revised the program, she also gave me what she felt was an ideal layout and I used that as a basis for this layout. When you see the floor plan you might notice that I had to flip the building over as the mirror image to get it to work. What I have done is way over on the left hand side you can see the edges of the existing athletic field and a little above that is the existing concession stand. I put the building kind of in the middle of 100 car parking area. There are about 50 cars to the right of the building and another 50 to the left. There are some in the front. There would be an entry drive that would come off the proposed access road. It would go in front of the building where it says bus loading. There would be a covered canopy over that bus loading area and then the buses could exit going out that way and the parking would be on either side of the building. If you have been out to the site, you know there is kind of a deep ravine over on the right hand side and what I have tried to do is place the building so that it is on the upper level and the filling that we would have to do would be for the parking that is on the right hand side so we are kind of to the north of that ravine but right on the edge of it.

Mr. MacKenzie asked are you going next to the Sears site.

Mr. Wallace answered yes.

Mr. MacKenzie asked can I just follow up, Mr. Chairman, with a couple of comments on this site. There were questions raised and I did want to try and answer those now. There were questions raised about how many parking spaces would be lost with this scheme. The City is developing the Rubenstein site into parking and the Board also asked if we could somehow quantify the financial impact of those lost spaces. I did want to note that in your package there is correspondence from the Highway Department that indicates that 65 parking spaces would be lost from the access road. You can see that on the northerly top end of the site plan. At roughly \$420 per space per year that would mean a loss of potential revenues of \$27,300. The second point on this site that I want to emphasize is that the parking area on the left hand side of this site plan, the 50

parking spaces, would likely have to be a shared space with the Riverfront Park Foundation. The stage would be located just to the left of this in the dashed area that Tom has shown and in certain situations when they are loading the stage with tractor trailers, those 50 spaces would have to be utilized by the Riverfront Park Foundation. Those are the only points I had on this.

Mr. Wallace stated this shows the site plan for the Sears site. Down at the bottom you can see the existing building at 1415 Elm Street and way up at the top running parallel to the top of the sheet is Chestnut Street. What I have proposed here is a two-story 15,000 square foot building located on the northeast corner of the site. You will see that there is an existing piece of property in the upper right hand corner. There is an existing apartment building and we have stayed away from that. There is a right-of-way that comes down and 20' is on each side of that right-of way providing access for the apartment and also for the 1415 Elm Street site so we have had to keep that as well. By putting the building up in that corner, I tried to minimize the number of existing parking spaces that would be eliminated. We have the building up there and you can see kind of behind it is some of the existing parking layout. We are going to lose about 50 or 60 of those cars that are in that section of the property. What I have done on the layout is I have the building in the corner and I am trying to provide a bus pick-up spot that was part of the program requirement and what I am showing is putting a driveway that cuts all the way across the site that could be used for the buses. It would have a bus canopy that would come down and that would serve as the main entrance. That happens to a line just about where the drive-up windows for the existing bank structure are there. We would...on this site there are about 185 existing spaces and if we lose 50 or 60 of those, it is going to leave us about 120 or so spaces remaining. With some reconfiguration we may be able to recover a few of those. We are going to lose somewhere in the vicinity of 1/3 of what is there in terms of parking.

Alderman Levasseur stated first of all the analysis that you did didn't mention the fact that we were going to lose 50 or 60 cars out of that spot on the Sears site. I asked you very carefully to make sure that we put in all of the data so that it didn't look like we were favoring one spot over the other. Now this place that you are building is a two-story structure. Now if we were to build a two-story with the same configuration as the Sears site, how many spaces would that...that would obviously take up less space at Singer Park and obviously your square footage would shrink. What is the difference between those two in price and in height? Let's just say you were going to compare them both the same. You were going to build a two-story at Singer Park as well as putting a two-story at Sears. Was there a price differential in going up to the second floor?

Mr. Wallace replied at this point I would say that any price differential could go either way. There are always efficiencies. By going two stories you cut down on

the foundation and you cut down on the roof area but you also normally require more square footage because you have to provide stairways and elevators and there is some additional cost for the elevator that you wouldn't have in the other building. For buildings the size we are talking about, it is probably a toss up. I don't know that I could say that a two-story building would definitely be less than a one-story building. It depends on the design of the building.

Alderman Levasseur stated but your square footage going up to the second floor would obviously...let's say you are talking 15,000 square feet. You would probably figure 8,000 on the bottom and 7,000 on top?

Mr. Wallace replied it is more like 9,000 and 6,000 the way I broke it out. There is more area on the first floor than there is on the second floor.

Alderman Levasseur asked if you went with 9,000 and 6,000 at Singer Park would you regain some of those parking spaces that we were talking about losing.

Mr. Wallace answered the ones that Bob mentioned about losing were on the access road. On the site plan I showed you, on site there would be parking for 100 cars, which is what had been identified as a requirement when we did the study last year.

Alderman Levasseur asked so you are saying there is a 100-car requirement for the senior center, which would be at either location.

Mr. Wallace answered when we met last year, that was developed as a requirement for the number of spaces that the seniors thought they needed.

Alderman Levasseur asked so if you have 120 parking spaces remaining for the Sears site, you are actually down to 20 spaces because you need 100 for the seniors and that would leave 20 for the rest of the Sears building itself.

Mr. Wallace answered if that is the way you looked at it, yes.

Alderman Shea stated I was going to mention that you are not including any other City departments when you are saying that there are 123 parking spaces so what he is saying in essence is that if we were to buy the Sears building that would allow approximately 20-23 spaces for all of the different agencies, whether it be the Health Department or Youth Services or whatever other department may go there, is that correct.

Mr. Wallace replied if you subtracted the 100 parking spaces that the seniors said they want from the total spaces that is what would be left over.

Alderman Shea asked would the bank remain where it is now.

Mr. Wallace answered in my plan the bank would be removed. To me, it seemed like it was...I know there was discussion about trying to keep it and using it for City drive-up payments but the placement of it and because of the parking restrictions, it seemed to me that that space was more valuable to maintain for parking spaces.

Alderman Shea asked so if that had to be removed that would also...would that be included Bob in the price. In other words, is that a separate entity or is that owned by the Sears building?

Mr. MacKenzie answered that is part of the entire site.

Alderman Levasseur asked is it part of the cost.

Mr. MacKenzie answered yes.

Alderman Levasseur asked it was part of your total cost in here and that included buying them out of the lease.

Mr. MacKenzie answered the total acquisition cost. We have not been able to identify what the cost would be in getting out of the leases. That would take some more time to go in and determine whether there is a cost to eliminating any existing leases.

Alderman Levasseur asked and that is all of the leases, Bob, for the other agencies that are in the Sears building.

Mr. MacKenzie answered that is correct.

Alderman Thibault asked has any thought been given to the proximity of the West Side. I think that is an important component to this. If, in fact, we are going to ask the West Side center if you will to go to wherever on the East Side I think it should be in proximity to what we are trying to do here. My problem is that if I look at Singer Park as an area that the west side people might go to, I would think that that is an easier area for them to go to than anywhere else in the City. I don't know what the figures are but...

Mr. Wallace interjected when you say figures, I am not sure what you are referring to.

Alderman Thibault stated we were talking about the Singer Park area as compared to the Sears site or any other area.

Mr. Wallace replied I am not sure when you say figures what you mean.

Alderman Thibault responded I am talking about dollars to the City. What is the impact of the dollars to the City comparing Singer Park to the Sears site? Do you have an analysis of that?

Mr. Wallace stated what we did, which is in the package, was an estimate for each of the studies. As Bob said there have been some things that were blocked out of that, but there was a bottom line.

Mr. MacKenzie replied before the next phase of this Kevin Clougherty was going to quickly review the financial analysis and just before that I was going to summarize for you the four total costs that we had put together for the four options that are currently being considered.

Chairman Cashin asked the Committee to hold all questions until the end of the presentation.

Mr. Wallace stated next I will move to the Maple Street site. I am going to start with some photographs that we took just to familiarize you and it may be helpful in pointing out some things. That is the building at 265 Maple Street. You can see on the right hand side is the Bike Barn. The property for this site as we began our study essentially goes from one end of the building to the other. The property is 100' wide. The building is as best as we can tell 100' wide. This is a picture from the opposite side. Again, the fence it is my understanding that the chain link fence is approximately where the property line is. The walkway or the path that you can see is the pathway that was referred to in the Parks & Recreation letter. This was taken the day after the big snowstorm so some people had been walking through within 24 hours of that snow. This is an interior photograph of the main part of the building or the Teamster's Hall. The door you see on the right hand side is one of the ones that leads out to the entrance on Maple Street. Most of that building is a rather large meeting space and you can sort of see what the condition of it is and the character of that space in this photograph. On the site plan here you can see kind of four vertical red lines. The two in the middle are the property lines, those are 100' apart and the property is about 316' deep. The building is 72' x 100' so it roughly goes across and I have shown it as best I could from gathering some information how far back on the property it sits. In the front of the building there is a large paved area that goes all the way across from the property line where the City property is all the way to the edge of the Bike Barn property. That is all one big parking area. What I have done here is shown a site plan that would

envision the possibility of acquiring that 50' x 315' piece of property that is the existing Bike Barn, but the plan could be worked out where you didn't have that 50' and you would have some parking in front of the building. The space is facing towards the middle there; there are about 21 spaces on that site. I have also laid this out so that a bus could come in, pick people up and go back out again. There is also shown here a building with a renovation as a Phase I and a Phase II addition on the back. The existing building is 7,200 square feet. If we built a one-story addition of 7,800 square feet we could get 15,000 square feet as a total building. This shows what might happen if we just renovated that existing building. The lay out of it is such that a good portion of the building could remain as it is. What I have done is I have taken the Teamster's Hall and reduced it slightly in size to provide some of the other spaces but you would probably get $\frac{2}{3}$ or $\frac{3}{4}$ of that existing space as a usable area. The entry would be at the bottom off of Maple Street. You would come into a lobby area, have a craft shop and an administration area to your right. On the left could be an activity room and on the opposite side I have provided a library computer room, toilets, a small kitchen area and then you would have the maintenance and equipment. That would give you a 7,200 square foot layout for the senior center just renovating that building. If we were to add on to it, we could take what we started in the renovations and continue to do some work there. What I am showing is creating more exercise and activity rooms that meet the program that Barbara came up with using what is now the Teamster's Hall. We would leave the administration area where it is and leave the entry where it is but create a connector that would go out into the back part of the building. In the addition we would relocate the multi-purpose room into there and we would have a 50' x 70' room and some of the other activity spaces like the kitchen area, toilets and so forth. It would seem though for this to work that there would need to be another entry in the back side of it and it would need parking to go along where the Bike Barn is and that was what the site plan that I had showed you had indicated. That shows you the layout and how you could get 15,000 square feet on that site but I think that in order to realistically do it you would need to acquire that additional property to the right.

Mr. MacKenzie stated Tom is done with his presentation but I have some more brief comments and then I would like Kevin Clougherty to review the financial analysis and then after that all of the staff will be available for questions. I ask that you turn to tab 6 in your package. You will find a spreadsheet that talks about the total cost of the project. There is a little section there that is handwritten and says blocked out. We blocked out some of the data so that the appraisal numbers, which are included, cannot be separated right now. I did want to review with you the analysis of numbers. You will see in the shaded section, if you find that section, there are four shaded columns. That was the analysis of the larger footprint building in the first study. The revised study actually has five numbers. If we could go through each one of those, the first is Singer Park with a revised

program and that would be \$3.2 million. The Sears site, which includes acquiring the building and also building a senior center would be \$6.4 million. The 265 Maple Street we did look at a couple of options there. To acquire the facility and fully renovate that existing facility to meet the program of 7,200 square feet it would be slightly over \$1.1 million. As Tom mentioned, the Phase II expansion to bring it to a full 15,000 square feet would add another \$1.7 million bringing the total of that site fully renovated and with a new addition to \$2.8 million. Moving on to the next part, I would like Kevin Clougherty to review the financial analysis. He does have slightly revised versions of what you have in the package. I believe the City Clerk has handed that out.

Mr. Clougherty stated what we thought might be helpful is if we could make the sheets a little bit longer so that people could follow them and try to refine them as we were going forward up to the last minute to try and make them as current as we could. The assignment we were given was to take basically the chart that Bob just talked about with the different scenarios and to run some debt services out for him over 20 years, as well as from the additional costs. The first scenario was to keep leasing. The second scenario was the Sears site with a debt issuance of \$6.4 million. Maple Street had a debt issuance of \$2.85 million. Singer had a debt issuance of \$3.23 million. On the first page you see the summary sheet and what that does is take a look in the first column of what the total is over the 20 year period and then applying the present value to that. You will also see on that the assumptions that we used and the different rates that were used. Most of those came from Planning and some of the previous work that they had done. If you were to look at the different scenarios and we have been working on this, a couple of us, for about a week. Randy did the first part and I had a chance to look at it today because I wasn't in town on Thursday or Friday. The only number I would...I will tell you the differences between what was in the package that you got and what is before you now. There was a change primarily to the Maple Center. It is a subtle difference but we wanted to make sure we had the right numbers in there for the tax impact so we placed in there what the number would be for lost tax income. It is about \$9,100 a year and that got factored in and changed the amount. There is a number that I don't have an answer for you tonight and that is Year 1 the lease. What we did was we were given a number of \$595,000 in Year 4 in that first column if you were to continue leasing. We took that \$595,000...

Alderman Shea interjected I am not following you.

Mr. Clougherty stated if you look on the first sheet and you look at the first row that is \$15 million which is what the leases would be if you continue leasing for the 20 years. What happened was we were given a number for Year 4, you will see is a number of \$595,980. What we did was discounted that. If you look in our

notes it shows that we discounted it back Year 3 and Year 2. Year 1, that \$755,000 was a number that was calculated by Randy but I don't know why he changed that number. He is out sick today and I haven't had a chance to talk to him. Even if you were to make that change down to about \$572,000 that still gets you your lease down to around \$15 million. It doesn't change the relative order in terms of the total cost of these things. In other words, your lease is still around \$15 million over the 20 years. If you did the Sears building, your total cost over 20 years is \$2.2 million. If you did Maple Street over the 20 years, it is \$16 million. If you did Singer Park, it is \$17 million. The reason that Sears is cheaper over time and if you look at the way these numbers flow you will see that it is a little more expensive in the beginning but it is cheaper later on and the reason for that is you have consolidated your departments and you have an income coming in to that building. It is a little bit more expensive in the beginning because you are paying a taxable rate for those bonds. If you look at Maple Street, it is just the opposite. It is a little bit cheaper in the beginning but then as you start to go out in time because of the impact of taxes that gets to be a little bit more expensive. The relative order in terms of what costs more over a 20 year period is pretty stable when we look at these figures running them a couple of different ways. Again, all of this is based on information that we have been provided in terms of the different scenarios that were spoken about earlier with the architect. If you would like, I can walk through each scenario but I think it is pretty straightforward in terms of what the bottom line is and where you end up.

Alderman Thibault asked if the market changes as it has fluently in the last several months, how does that affect that.

Mr. Clougherty asked if it changes in terms of borrowing rates.

Alderman Thibault answered whatever.

Mr. Clougherty stated it would affect all of them relatively, all of the scenarios because again if it drops...if we are borrowing and we are borrowing for a general obligation it is going to be the same for all of these scenarios and the spread is going to be about the same for the taxable.

Alderman Thibault stated my question is knowing what the market has done in the last several months, is this a gamble for us if you will.

Mr. Clougherty replied I will be the first one to tell you, Alderman, that whenever you get into one of these exercises of projections if you take a look at the assumptions, you have to look at the assumptions and say am I comfortable with those assumptions or not. There may be some that would ask us to do a different type of arrangement and certainly we could do that but these are the assumptions

that we made for the purposes of this exercise. We have talked to our Bond Council and we have talked to our financial advisors and we think that given what has happened these are the best averages or the best estimates to use over time. That is what we did.

Alderman Thibault responded I don't think you answered my question. Let me ask you again. Is this a gamble for us at this point in looking at the market and the way it has been in the last eight or ten months? We could end up a lot shorter than where we are. Am I right?

Mr. Clougherty answered again, Alderman, it is a projection based on assumption and it certainly could change based on reality.

Alderman Thibault stated that is what I am looking at. I am looking at what has happened to the market in the last...I am using eight or ten months and maybe I am wrong on the amount of time but in looking at the market and what it has done in the last several months at best it is a gamble. It is only going to go down, not up.

Alderman Levasseur asked on your analysis what do you think about if you take the other departments like the Health Department out of the corner of Merrimack and Elm Street, when you take away those four floors or three floors that they are renting out there would that immediately once they leave assuming they don't rent that place out for a couple of years and their tax assessment would go down, would they be able to come in for an abatement on that issue.

Mr. Clougherty answered we haven't made that an assumption of our study. We assume that they would be able to generate another tenant.

Alderman Levasseur asked well that would affect the tax rate...I don't see how that is going to be just some place they can easily go out and rent. I would look at a tax abatement on that issue. The Public Service building over here just got a \$2 million abatement because they can't lease half the space there and they are losing PSNH. That does affect the numbers in another way but you can't put an assumption in there can you?

Mr. Clougherty answered no. That is correct. The other thing that you have to consider there is we are in the process of revaluation and it may go the other way. Just by the revaluation that property may go up and offset that in the other direction. We wouldn't try to guess at that or speculate.

Alderman Levasseur asked as far as your \$13/square foot did you base that on real numbers or market numbers.

Mr. Clougherty answered that was a number that we got from Planning that was based on their discussions, I believe, with the architect and people in the industry.

Alderman Levasseur asked so we don't know exactly what the square foot price we are paying for those other...what the tenants or the City is paying as far as the Health Department and the Welfare Department. Do we know what the actual number is on that? I think it is closer to \$6 or \$8 a square foot and not in the \$13 range. That would skew your numbers upward quite a bit actually, almost 50%.

Mr. Clougherty stated the number that we got was a number for Year 4, which is the \$595,000 and then we discounted it back, which we thought was a more realistic way to do it.

Alderman Levasseur asked you don't know what that square foot price is.

Mr. MacKenzie answered we do have and I don't have it in my package here but the actual dollar amounts and we can calculate backwards. I know that at one time the Hanover Street Senior Center was up to \$13/square foot and they negotiated that number down. All of the rents currently are less than \$13. Again, we were looking out for the five years. The leases are up in all of the locations then and if we are paying market rate we will be paying more. The rates have gone up fairly significantly in the last couple of years.

Alderman Levasseur asked, Kevin, when you say you went backwards five years did you take a backward number and decrease by each year down to \$12 and then down to \$10, etc.

Mr. Clougherty answered right. If you take a look at that first page under assumptions it says base rent equals \$13/square foot in Year 5. Years 4 to 1 we discounted 2% so we took it and went back each year. Again, Year 1 I have a question on and Randy and I haven't been able to talk about it. We may make an adjustment on that.

Alderman Shea stated I noticed today the people at the Chamber are advertising a place on the corner of Valley and Maple Street for \$8-\$12/square foot and probably it bears looking into but Kevin we have \$1.2 million set aside is that correct.

Mr. MacKenzie replied I think it is \$1.175 million.

Alderman Shea asked so if we were to borrow money, we would not be borrowing \$3.6 million or whatever but we would be borrowing the difference between the amount we have on hand...

Mr. Clougherty interjected the number that I was given to do the bonds on was \$3.1 million. That is what the cost would be.

Alderman Shea replied but we would not have to borrow \$3.1 million if we already have \$1.175 million. Is that correct?

Mr. Clougherty responded well if you want to get the total cost you have to take that all together. You can't just ignore part of it.

Alderman Shea stated if you were projecting the real cost of bonding or debt service you would have to predicate it on the amount of money that we would have to borrow rather than on the \$3.1 million. Is that right?

Mr. Clougherty replied \$3.1 million is the total for Singer. You have an amount set aside in the CIP, which is not enough to cover Singer so you have to add the additional Singer costs in order to get the total impact over the 20 years, which is the exercise we went through.

Alderman Shea stated what I am trying to say is that you projected your figures over 20 years in terms of \$3.1 million for Singer Park. Is that correct or am I incorrect?

Mr. Clougherty replied we were asked to do a projection for Singer Park at \$3.186 million and I think we did \$3.2 million.

Alderman Shea responded what I am trying to say is that no matter which site we were to purchase we have money set aside so that the debt or the amount of money that we would have to borrow would not be the total amount that we are projecting here. It would be that minus what we have on hand. Is that correct?

Mr. Clougherty replied no because we haven't issued it yet. You have to take it all together. You have an amount of money that was set aside...

Alderman Shea interjected let me give you an example. If I have \$1 million that I have set aside and I am buying a house for \$3 million, do I go to the bank and say to the bank I want to borrow \$3 million or do I go to the bank and say I want to borrow \$2 million because I have \$1 million.

Mr. Clougherty answered that \$1 million isn't debt capacity. It is not cash or something that you have. What you have said is that you are willing to borrow \$1 million and you have to add that all together. You can't separate that, Alderman. It would have to be the \$3.1 million even though you have already authorized a piece of that. You have to look at the whole picture.

Alderman Shea stated when we set aside \$1.175 million did we really set it aside or did we not set it aside. Where is that \$1.175 million now?

Mr. Clougherty replied that is set aside in terms of the amount of bonds that can be issued by the City going forward. It hasn't been issued yet because the budget hasn't been approved.

Alderman Shea stated I thought we took that from the amount of money that the Police Department...wasn't \$3.3 million set aside for the police station.

Mr. MacKenzie replied the money was for the police station but it is still bonding capacity so the City will still have to pay debt service on that \$1.2 million. At some point, the City will be paying debt service on the full \$3.2 million if they chose Singer Park. The City will still have to pay the debt service. It is not that the debt service is already paid on the \$1.2 million.

Alderman Levasseur asked on your numbers here, Kevin, the Sears number would be skewed also by the fact that I think we are paying a triple net price on that so that includes the...the price that we are paying for the leases I think includes utilities and when you move over to Sears that price will have to obviously be increased dramatically with energy costs and I think that number would be skewed quite a bit especially if you take that over 20 years. I think that would be...you know you have three floors and you have those other consolidation units and I think those are included in those rental prices and included in your triple net price and that would really skew you upward wouldn't it?

Mr. MacKenzie stated there was an amount factored in for the additional operating expenses. There are of course custodial expenses, electricity typically. There was an estimate of the operating costs...

Alderman Levasseur interjected but we are talking over 20 years. You are talking about a bondable issue. That is not the same price as the operating cost in a one time year. If you take that triple net price and you add that out over 20 years that is going to increase significantly your \$12 million number I think. You are looking at \$13/square foot as a finite number. You are not looking at the \$13 plus the associated costs.

Mr. Clougherty stated if you look at the Sears building scenario, which is the third page I believe, you will see that there is a line for debt service. The third line up from the bottom is debt service and the line just above it is operating costs and that is based on the numbers that Bob was just talking about where he had taken and made some assumptions about escalation of operating costs over time and those were what we factored in when doing the analysis.

Alderman Levasseur stated so if you took the Sears number at \$12.278 million did you add in on your first five years the \$42,000 to the operating costs.

Mr. Clougherty replied yes.

Alderman Levasseur stated so the \$12.278 million does include that \$42,000 and then after five years you jumped it up to \$53,000.

Mr. Clougherty replied right. If you look at Year 1 under Sears you will see the number \$739,628 on the summary sheet. Under Column 1 it says Sears Net Present Value and it has \$739,628. If you then look at the Sears individual sheet and you look at the bottom for the first year you will see that same number and it includes the operating expenses. It is an all in number that we worked out.

Alderman Levasseur stated I really would be interested in this. I think that number as a triple net is...I think you might be getting a bargain at that price as far as your operating costs but we won't be able to figure that out.

Mr. Clougherty stated you have to make an assumption and make it the best you can and what we did is we relied on the numbers that Planning had gathered from talking to people and that is what we used.

Mr. MacKenzie stated if I can make something clear, when you look at these scenarios, you are comparing taking all of your renting agencies and consolidating them at Sears. When you look at the other scenarios at Singer Park and Maple Street, those have the Elderly Services Administration, but the other agencies are still leasing in those two other scenarios. If the City chose either Singer Park or Maple Street and purchased another facility to consolidate the departments, that would be a different analysis that we would go through. The total cost would be different. We didn't have another building to look at at this point to do that and that is why there is no analysis here. Again, the Sears scenario looks at all renting agencies going into that complex but if you look at like Maple Street, that assumes only Elderly Services is going there. The other agencies still lease. I think what this analysis shows is that it does not really pay the City long-term to rent. In the long-term we have to find some way to get all of these facilities into a municipal facility.

Mr. Clougherty stated that is why Sears is better is because of the consolidation of departments.

Alderman Levasseur stated when you talk about the consolidation and you see the amount of parking spaces necessary for the two senior sites, what do you figure on doing for all of the agencies that will be moved in under consolidation. Did you figure out how many employees there are and how many people would be going there? Right now you have 23 spots.

Mr. MacKenzie replied we did assume under the analysis that it is likely given the different uses that we would have to acquire an additional parcel in that block.

Alderman Levasseur asked did you figure out where you would be going with that.

Mr. MacKenzie answered we did calculate a number and put it into that total price tag of \$6.4 million because we recognized that we would need some additional parking.

Alderman Levasseur asked is that one of the buildings on the lot.

Mr. MacKenzie answered yes.

Alderman Levasseur asked did you also figure in the amount of tax money you would lose on that building.

Mr. MacKenzie answered I believe we factored that in.

Alderman Levasseur stated as far as the appraisals and you said you didn't want to give us those but you could have put in the assessed values and that would have given us at least a range. Did you include that somewhere in there?

Mr. MacKenzie replied the appraisals are worked into the bottom line and again if you want to go into those I would be happy to go into non-public session with you but the appraised values are more accurate at the present time than the assessed values.

Alderman Levasseur asked what does the ordinance state specifically in regards to assessed value or appraised value. We as a City are not allowed to pay either what the assessed value or the appraised value by ordinance?

Mr. MacKenzie answered the City can only pay the fair market value of a property. At the present time a current appraisal...until the revaluation is done an

appraisal will be more accurate than an assessed value. I think the City should not be paying more than fair market or that appraised value.

Alderman Levasseur stated we do want to know what that is but we are going to have to close up the room to do it so I guess it can wait.

Alderman Lopez asked with the Sears scenario of a 15,000 square foot two-story building, that is included in those numbers correct.

Mr. MacKenzie answered yes.

Alderman Lopez asked for Maple Street is the Bike Barn included in those numbers.

Mr. MacKenzie answered we did assume looking at the site that if you went to full build the 15,000 square feet that for a variety of reasons you perhaps should acquire that property and that is included in the price tag.

Alderman Lopez asked in these numbers here.

Mr. MacKenzie answered yes.

Alderman Levasseur asked based on appraised value or assessed value.

Mr. MacKenzie answered that one we did not have that property appraised. It is a smaller property. We used an estimate for that.

Alderman Levasseur asked and you would have to take that by eminent domain if they did not want to sell.

Mr. MacKenzie answered that is correct.

Alderman Shea stated you didn't mention how many parking spaces there are on Maple Street. Are there 50 or 25?

Mr. Wallace replied if you didn't acquire the Bike Barn, we could fit 22 spaces. If you acquired the Bike Barn we could get another 30 spaces roughly.

Alderman Shea asked so there would be 55 in all.

Mr. Wallace answered yes.

Alderman Shea asked did you estimate how close that would be to any other facility like a Skateboard Park.

Mr. Wallace answered the Skateboard Park is directly north of the site.

Alderman Shea asked how close would it be.

Mr. Wallace answered the property lines about. I am not exactly sure where the Skateboard Park is going to sit on that site.

Alderman Shea asked, Bob, could you tell me where it would be. Is it right next to it?

Mr. Wallace answered there is a small little right-of-way, a pedestrian right-of-way that goes through there and where you saw on Tom's plan the expanded area, the expanded footprint in the back, the Skateboard Park would be just to the north of that beyond the 10' pedestrian right-of-way. There are a couple of fences there but it would be just beyond that expansion.

Alderman Shea stated so it would be right next to it in essence.

Alderman Levasseur asked regarding the Bike Barn did you include the parking spaces that would be behind the building.

Mr. Wallace answered yes.

Alderman Levasseur asked so if we did the expansion that is supposed to be done that would take away those additional parking spaces. How many spaces did you think you were going to get in the back of that building under the first phase?

Mr. Wallace answered I am not sure exactly how many were in the back but I did have some parking...the addition went to the back and to the south of where the addition was there was some parking between there and the property line.

Alderman Levasseur asked so can I say that if we take the Bike Barn out of there and you have the expansion do you still think you will have 55 spaces.

Mr. Wallace answered that is how we got to 55. That was with a 15,000 square foot building. On the Bike Barn property we can fit 30. If we did not expand in the back, is that what you are saying?

Alderman Levasseur replied yes.

Mr. Wallace stated you would be able to get more than that. There is some space that the addition was taking up.

Alderman Levasseur asked what is the square footage of that back area. It is not the same size as what the original space is, which is 7,000 square feet.

Mr. Wallace answered there is a little bit more because I got an addition of 7,800 square feet back there and it didn't fill up the entire space.

Alderman Levasseur stated so you are looking pretty close to the 15,000 square feet that we wanted for the other two sites.

Alderman Shea stated we are faced with two concerns here. One is placing City departments in a facility and the other is obviously building a senior center. When one examines Maple Street, could City departments be housed in the Maple Street facility? Could we solve that problem by placing the Health Department and other departments within that facility? Is that possible to do?

Mr. MacKenzie replied you would probably only get one or maybe two departments in an expanded Teamster's building. We are looking for roughly 25,000 to 35,000 square feet for the other departments and if you expand the Teamsters you are at 15,000 square feet. You would not solve all of them. You could potentially put one or perhaps two departments there.

Alderman Shea asked could we put the Health Department there.

Mr. MacKenzie answered the Health Department is looking in the short-term for about 10,000 square feet. A few years out they will probably need upwards of 13,000 to 14,000 square feet.

Alderman Shea stated so initially we could put the Health Department there by itself if we had to. Do they have 10,000 square feet right now?

Mr. MacKenzie replied they have just under 10,000. I think it is about 9,000 square feet.

Alderman Shea asked and this facility now without expansion has about 7,000.

Mr. MacKenzie answered 7,200 square feet. The existing space would not be quite big enough for the existing Health Department.

Alderman Vaillancourt asked are you extrapolating based on the current needs or are you extrapolating saying we are going to give them all of this extra space in

the future. For example, the thing I know most about is MCTV. Do they have 12,000 square feet now? Hardly and yet you are going to give them that. If you took apples and apples how many square feet do they have right now?

Mr. MacKenzie answered about 5,000 to 6,000. They are looking to expand because it is an inadequate space and they said initially that they could use about 10,000 square feet. We do try to plan ahead and see what their demands might be 10 years out.

Alderman Vaillancourt asked are you assuming that the Board is going to approve the expansion plans of all of these agencies or perhaps should we assume that we are going to stay someplace around the level we are now.

Mr. MacKenzie answered the Board can make those assumptions. I think when you look to us to plan ahead we at least need the capacity or the potential to look at expanding these agencies. If you put an agency into an area and three years down the line they have to move because they can't expand, that can be a costly thing as well.

Alderman Vaillancourt stated some people don't believe in constant government expansion I guess.

Alderman Levasseur stated I want to go back to a basic assumption that you made, Kevin, and I look at this assumption...on your first page the assessed valuation remains constant at \$2.7 million. Now you say that remains constant. Do you use that constant number over 20 years?

Mr. Clougherty replied we use that constant over the 20 years and we are taking a look at making a projection for the lost taxes. Instead of escalating...we didn't want to do it twice. In other words we didn't want to take the number of the rent and escalate that and at the same time do the assessed valuation so you have to keep one constant and that is what we did.

Alderman Levasseur stated well you kept one constant but you didn't keep the base rent constant right because you increased that at 2% over year 6-20 but you didn't increase the assessed valuation, which I don't think is a fair assumption based on the fact that we should be increasing...let's say we just do it once every 10 years then we could have two revaluations at the end of this 20 year term. You would actually have three revaluations if you include having one in Year 1 and that, again, would skew these numbers quite a bit if you went from let's say \$2.7 million and even if we went to a low 20% right now you would bring that up around \$3.1 or \$3.2 million and your taxes on that would change dramatically and your assumption numbers would go up quite a bit.

Mr. Clougherty stated in the Sears scenario for example if you were to increase the property tax rate and increase the valuation that would have a compounding effect and we didn't want to do that so you can either guess at what the revaluation is going to be or you can guess on what the rate is going to be and that is the path we took.

Alderman Levasseur asked so where in the line did you decide on the rate because that I can agree with. Where is the rate though?

Mr. Clougherty answered if you take a look at scenario D and it says CPI up in the left-hand corner and then you see base rent and at the bottom you see property tax rate.

Alderman Levasseur asked so you are going at \$30.68 for a tax rate and what did you go up, 2%.

Mr. Clougherty answered yes.

Alderman Levasseur stated so you are going at \$44.69 on your 20th year based on \$2.7 million.

Mr. Clougherty replied right and again to try and guess at what the valuation would be and try and ride that curve as opposed to just taking the rate and escalating it seemed to be a safer projection and that is why we did it that way.

Alderman Levasseur asked how much differently would your numbers have changed if you went the other way and went at a 20% increase in Year 1, 20% increase in Year 10 and 20% increase in Year 20 and then went and added an average of 3% on your increase in tax over the years. Wouldn't that be a fair assessment? Actually isn't that low?

Mr. Clougherty answered again I don't think you can increase the rate and increase the valuation because the rate does include a valuation piece in the calculation. So, you are really doing two things here. I would be happy to talk with you afterwards.

Alderman Levasseur stated I know what you are saying. You are saying that the valuation...you don't want to see the valuation go up because inversely it will affect the...it is supposed to inversely affect your property tax but we know that one thing that has always been constant is the increase in the tax rate. If we would have allowed the last two tax increases to go it would be 13.7%. You look at that number based on your \$2.7 million number and that increases dramatically I think.

Mr. Clougherty replied the other factor is that is what your budget is and there are other pieces. We found that the rate would be the more constant number to do a projection on rather than to do each individual component part.

Alderman Levasseur responded I will respectfully disagree with you on that. I think that your number of \$2.7 million is going to be...I think just now with this valuation that is going to probably be coming in at...even if you remain constant with your numbers and we go with what you say I still think \$2.7 million is not the number. I think that is the current assessment now isn't it.

Mr. Clougherty replied right.

Alderman Levasseur stated let's say you increase that by 20% and leave everything else constant and you make that \$3.1 million. How much more would that add to your bottom line here of \$12 million?

Mr. Clougherty replied I wouldn't guess on that, Alderman, but I would be happy to, if you want me to run a different scenario I would be happy to do that.

Alderman Levasseur responded seriously I am not trying bust anybody here. Can you just...maybe you can do this quickly in your head but just give me a round number of \$3 million instead of \$2.7 million?

Alderman Gatsas stated just take \$200,000 Kevin. Use the \$200,000 number and give him the number based on an assessment of \$30, which is what \$600. So \$600 times 20 years is about \$12,000?

Mr. Clougherty replied right. It is not going to change a lot.

Chairman Cashin asked, Kevin, if we just build a building on the Singer site how much would it cost.

Mr. Clougherty answered \$3,236,388. That was the estimate.

Chairman Cashin asked how much is the Sears site.

Mr. Clougherty answered \$6.4 million.

Chairman Cashin asked what about Maple Street to purchase.

Mr. Clougherty answered we were asked to do \$2.8 million, which is the combination of Phases I and II.

Chairman Cashin replied forget that. What would it cost to purchase the building?

Mr. Clougherty responded \$1.138 million for Phase I.

Mr. MacKenzie stated again we would prefer not to give the purchase price. Round figures, you could clearly purchase the property and do a full rehab for \$1 million.

Chairman Cashin stated forget the rehab. Just to purchase the property, how much?

Mr. MacKenzie replied again I am hesitant to give that number because it is the appraised value.

Chairman Cashin stated we have been talking about anywhere from \$400,000 and \$500,000. Is that fair?

Mr. MacKenzie replied yes.

Chairman Cashin stated so let's say \$500,000 for Maple Street. Now we can buy the Maple Street property with the money we have allocated in the budget now, right?

Mr. Clougherty replied that is correct.

Chairman Cashin stated the other two pieces of property we are going to have to go out and bond right.

Mr. Clougherty stated you are going to have to add to the bonded amount that you already approved.

Chairman Cashin stated either \$3.2 million or \$6.4 million right.

Mr. Clougherty replied you would have to add to what you got.

Chairman Cashin stated let's assume and I don't care which one you pick, we have a bonding capacity now and correct me if I am wrong but the last number I heard was \$11 million.

Mr. Clougherty replied right.

Chairman Cashin asked if we do this what do we take out of the \$11 million that we have bonded for something else. What goes?

Mr. MacKenzie answered that is something that you as a Board would have to decide.

Chairman Cashin stated so in order to do this we are going to have to take money from someplace so the least impact we are going to make would be right now on the Maple Street property. Is that fair?

Mr. Clougherty replied on the current year's budget that is probably a true statement.

Chairman Cashin stated now we have Granite Street that we have to worry about, the Granite Street Bridge. We now that is coming. We have to do that. We can't put that off. We have the schools. We can't put that off. We have to do something. Where are we going to take it from, Kevin? Are we going to take it from the Granite Street Bridge or the schools?

Mr. Clougherty replied I know what you are saying, Alderman, and you are right. There are certain limits and you are going to have to assess priorities and if you want to do one of these it is different from what I believe the Mayor presented in his CIP budget and you would have to make changes.

Chairman Cashin stated the only point I am trying to make is we can go forward with the Maple Street property today without affecting any other projects. Anything else we do is going to affect something. Is that fair?

Mr. MacKenzie replied that is a fair statement.

Alderman Levasseur asked how much is it to purchase the Singer Park site.

Mr. MacKenzie answered nothing.

Alderman Levasseur asked and where is the \$1.7 million for the Seal Tanning Lot that we were supposed to build and now we are not. Is that in this \$11 million budget or is that still sitting somewhere in a nice little kitty?

Mr. MacKenzie answered that is still allocated towards parking in the Millyard. It is uncommitted.

Alderman Levasseur stated so we have that \$1.7 million if we wanted to add to the \$1.3 million that we already have set aside. Correct?

Mr. Clougherty replied that was the priority of the Board.

Alderman Levasseur stated right. It depends if we want to reallocate isn't that correct? So we wouldn't be affecting the \$11 million that the Mayor has put in his budget. Is that correct?

Mr. MacKenzie replied that is correct.

Alderman Shea stated we do have a problem and I know that the Chairman of the Board indicated that the Mayor put in I believe \$500,000 in his budget without having to bond anything.

Mr. Clougherty replied I think the Alderman is talking about the same \$1 million that you were talking about earlier. Instead of using it for Singer you would have that money available to do the other site and it would only cost \$500,000.

Alderman Shea stated you said before that the money that I had before was money that we didn't have really and we had to bond for that. Is that correct?

Mr. Clougherty replied right. It is still the same capacity but whether you use it at the Singer site or whether you decide to use that for one of these other sites, that is the same money.

Alderman Shea stated my point is this and I don't want to shortchange the seniors by and I don't mean this in the wrong sense but throwing them a bone by putting them on Maple Street. That is what my contention would be. We want a new senior center and we have discussed it, Alderman Cashin and I have discussed it and with all due respect he probably reasons that the best thing to do is move it off center and get something for the seniors. My contention is if we don't want to do it right, don't do it at all. Just make sure that we do it right. Every project that we do in the City we way let's do it right. When we put Parkside together we put 20 rooms onto that because Alderman At-Large indicated that we should do it right. We didn't do McLaughlin correctly. Now we are going to try to do something piece meal at a time when there is a lot of emotion in the City and people are starting to get a little bit concerned about where the political leaders stand. I say let's not do something precipitously in order just to do something. Let's do it right. If we respect the seniors, why don't we take our time? If we don't have the money, then let's use a little bit of logic and let's say, for instance, at Prouts Park I couldn't get \$600,000 one year so we set aside \$150,000 the first year and \$150,000 the second year and now the third year we are going to try and combine the third and fourth phases for \$200,000. We don't have enough money now to do it right. Why are we trying to do something when we have other problems? Let's

put this aside for the time being and let's do it right. Our concern now is that we pay so much money for rentals for different departments. That, to me, would make more sense by putting the Health Department over on Maple Street if we need to save money. It doesn't make any sense to keep paying rent there. Let's keep the seniors in mind and down the road next year let's put aside some money this year and put aside some money next year and let's do it right. Let's find a place that is going to be adequate for them. Why are we going to just put them in a place, which is dangerous in my opinion and I don't want to go through all of the scenarios but let's face it you have a one-way street. You have Gill Stadium. You have the athletic field. You have a little league baseball park. You have a Pony league. You have Fun in Sun. You have a Skateboard Park. You also have other types of bad air coming from the Highway Department when all of those trucks start up. Sweeney Post is next door. I mean it is not a place where they serve just tonic. Let's be honest. We have a very limited situation there so my way of thinking is let's do it right. Let's try to get the Health Department in a facility rather than trying to stick seniors in a facility that obviously is not going to be adequate. That is my opinion.

Alderman Thibault stated I would have to allude to what Alderman Shea is saying. If we are going to do something, let's do it right and when you look at the configuration of this City, the West Side is part of this City. The West Side is probably as big a part of this City as the East Side has ever been because frankly when this City was configured the West Side was going to be the center of this City. I am saying if we are going to do something let's make sure that we include the West Side accessibility to this center. This is why I have supported the Singer site. I supported the Singer site only because the West Side people can go over the bridge and know that they are part of this City. I think if we deviate from that we are alienating the people from the West Side and that is why I have some concerns on that. I appreciate what Alderman Shea has just said and I certainly appreciate the Chairman's views on that. I believe it should be a centrally located thing in this City and I believe that across the bridge from the West Side is the place to put that. I certainly would foster that a million percent. Only because I know the people of the West Side and how they hate to venture further out into the area.

Alderman Hirschmann stated I want to agree with both of my colleagues, Alderman Shea and Alderman Thibault. I want to say that if we do do this project we should do it right. We do not have to put it off. Last year we went through the CIP process. Our Chairman of CIP is out in the crowd. We did reprioritize projects last year. If you remember, the police station money is the pool of money you are now working with so \$1.3 million of the senior center is stolen from a police station that didn't become a priority. Now there is a parking deck out there that didn't get built. We can reprioritize our money and I would make that recommendation to the CIP Committee if they don't want to build a parking deck.

The seniors want a senior center. That is a higher priority at this time. The other thing that I want to make a comment on is the problem with Maple Street is that only 50 parking spaces is not adequate. I feel that if we put the center at Singer Park we are going to be helping the Riverfront community because they need to get those big tractor trailers in there so we are going to build that lot so they can pull their tractor trailers up to the stage so we will actually be helping then and it was brought in that some days that additional parking lot would be utilized by the Riverfront Park Foundation so we are going to be good neighbors to the park.

Alderman Levasseur stated Mayor Baines ran on the slogan "It is time for a change." Well, this Maple Street site is not change. What it is is political expediency. We are trying to satisfy the seniors by giving them something.

Chairman Cashin replied I resent that.

Alderman Levasseur responded well it is political expediency in my view and I agree 100% with Alderman Shea and Alderman Thibault and Alderman Hirschmann and I want to say that the person here...Alderman Gatsas was the one who had the foresight to put away \$1.3 million last year. I am of the same idea. If we are not able to do this this year, we will put away another \$1 million and wait another year. If we are not going to do it right, let's not do it at all. That is the way Manchester used to do things. Political expediency or just doing it to satisfy some political need...let's not do that anymore. We built the civic center. It is first class civic center. Some people wanted to build it half size. I wouldn't have voted for a half size. I voted for a full size because it was the right thing to do and it was the right thing for Manchester and it shows the rest of our community in the neighboring towns and cities and states that we are a first class City. We have a first class airport, we are going to have a first class civic center and we are going to be a first class City. So let's do this right. If we have to wait one more year and put away another \$1 million like Alderman Gatsas did for the seniors last year then we will do it. I still say we have \$1.7 million in another kitty because whatever happened at the Seal Tanning Lot they didn't want to build it so now that leaves us \$3 million and that just happens to be the right amount of money to put down at Singer Park. It makes so much sense because of the location. It is across the street from the West Side. It satisfied the West Side and it also helps the Riverwalk. We want to build that Riverwalk some day. We put it on hold because other things came into effect. We had to do some work at Central High School, fine. We put the Riverwalk on hold because we are going to do things right from now on. That is what we need to stand for in this City. Forget the political rhetoric, forget the parties. This makes only one sense and that is to put it where there is no political stink around it. The senior site is the Singer Park site. That is where it belongs and that is where it should go and I am going to urge everyone.

Let's just do it right for once. Let's just keeping going in the right direction. We have made so many good strides in this City.

Alderman Vaillancourt stated I do have a question and I am baffled by this and it is a simple question and the word civic center came up so I was going to bring that up anyway. Not to say anything derogatory about my new favorite downtown development but remember when we did that the City couldn't bond for the civic center and we had the MHRA do that. Why can't we just have the MHRA bond for the senior center. We do have some of that rooms and meals tax money in excess so we could use that for a back up. Why don't we just have the MHRA bond for the senior center as we had them bond when the City couldn't bond for the civic center? There has to be a logical answer but it escapes me.

Mr. Clougherty stated certainly the Board at any time can approach the Housing Authority to do projects of that type as long as the Board is willing to, again, earmark the revenue stream to do that. The problem you would run into with a project such as this is the size. Because of the relatively small nature of it, the cost to get the insurance and the cost to do all of the things necessary administratively to get done would add to the cost of the project and probably make it prohibitive. If you wanted us to take a look at that, I would certainly be willing to do that for you but my original impression is doing a revenue bond for that small a project is just going to be cost prohibitive for you.

Alderman Lopez stated I am sure the Housing Authority could contribute to this. Mr. Wallace, I want to clarify something because some parking things have been thrown around here. There is no parking with the 7,800 square foot addition to the Teamster's hall and there is no parking in the back and what you end up with on here is 21 spaces only and if we take the Bike Barn then you end up with 52 spaces according to this diagram. Is that correct?

Mr. Wallace replied there are 22 spaces with the Teamster's property. To get the additional 30 would require acquiring the Bike Barn property.

Alderman Gatsas stated I was waiting for my colleague from the West Side to come back because I guess we need to address this situation of coming over from the West Side. I would venture to guess that the proximity, if we started from each one of the bridges on Elm Street, that the proximity to the Sears location is going to be much closer than it is to either one of the other locations. I don't know if anyone has done that drive but if anybody can visually put that in their head I would say that Granite Street would be the farthest one out and that is probably closer to the Sears location than it is to the Singer Park location. So that would be three of the four bridges from a location for the people coming from the west side...Alderman Thibault this is for you, I think that if you did the drive from the

four bridges based on Elm Street to the locations you will find that the location of the Sears building, the proximity from Bridge Street, Granite Street and the Amoskeag Bridge is closer to the Sears building than it is to Singer Park. The only one that would be closer is Queen City Avenue. That one would be closer to the Singer Park location. The other three bridges that connect the West Side with the East Side of the City, the proximity is much closer to the Sears site. Correct me if I am wrong Mr. Wallace but I believe Mr. Clark did a study for the seniors that showed that 27% or maybe it was higher but I think it was somewhere between 25% and 30% of the seniors in the City...the closest proximity for all of them was the Sears building. Is that correct?

Mr. Wallace replied I don't remember that specific number but I do remember the demographic study that they did showed that the majority of the seniors were on the East Side.

Alderman Gatsas stated the Sears building is what they looked at. They used that, Derryfield Park and Singer and the proximity of the Sears building was a bigger demographic for the seniors.

Mr. Wallace replied I think that is correct.

Alderman Gatsas stated I think when this whole analysis started the Sears building came up because I was talking consolidation with a senior center. I think that Alderman Levasseur certainly is correct when you start looking at the 20% increase in assessment values, but I think the one thing that anyone failed to mention is that that building at the end of 20 years is going to have a value to the City, which is now returnable to the City. Now these numbers at the end of 20 years and some of us hope that we are venturing down this street for not only the seniors who are here today and the ones who are coming on their years like some of us sitting here, but also for the future seniors who are coming 20 years from now and 20 years from now these numbers drastically change to the City of Manchester because they are now not going to have a debt service on either one of the three buildings, but you are also going to have a huge revenue stream that is coming in from one of these buildings. I am not going to sit here and try and blow holes into either the Maple Street location or Singer Park because I could sit here with the analysis that I have done and could do that very easily for a case. There is a \$4.5 million difference in one location and a \$4.8 million difference in the other one. If we use those and say on the conservative side \$4.6 million, on either one of the sites being beneficial to everybody in the City, a free-standing building for the seniors and to the taxpayers of this City and obviously to the departments that should be consolidated under one roof, those numbers prove why we did this analysis. We didn't do this analysis so somebody can say there are only 20 parking spaces at Maple Street. I can sit here and say you know the 50 parking

spaces at Singer Park are over 200' from the front door. That is based on your analysis. Correct me if I am wrong, Mr. Wallace.

Mr. Wallace replied on the layout that I did, the parking was removed from the space.

Alderman Gatsas stated so let's not talk about the problems that each project has because we can all sit here and take that route and I don't think that is to our advantage. I think the advantage is to say what is the best route for the seniors and for the taxpayers of the City and when you are talking about \$4.6 million that is not a hard number to look at. I agree with Alderman Cashin. We are headed for some tough times but if somebody wanted to structure a deal and we had \$3 million, I bet we could do a land lease on the Sears project and bond the rest of it at a later date. There are different ways to do this deal if you wanted to approach it with a business man's solution and not just say we can't do this let's get more money. I think that when you look at the alternatives for the entire City, that is the proper perspective. That is what we looked at. We looked at it so the numbers could work. Obviously I am going to distribute a survey because I have been inundated with surveys that everybody has done and signatures that people have collected so I am going to distribute the survey that I did in Ward 2 so that you can look at those numbers. I think that maybe the proper approach would have been certainly to sit down...we spent some I don't know how much doing this survey and did a survey that conducted it to the seniors. The survey that I did cost \$1,000 but I got the results from the ward, from the people who live there and their input. We probably should have done it for the entire City and we would have had some input and we could have all sat here and said that is the correct decision because to say that I got 40% on a return...I can tell you it is unheard of for anybody to get a 40% return on any kind of a survey. It is unheard of. Usually you get 3-5%. So to get 40% the seniors sat down and took a look at it and sent in their responses and I have them here and I am going to give everybody a copy so they can look at who signed them because I have proof of mailing and proof of return so nobody can say well who filled those out. They are here. Anybody can look at them. I told the seniors that I wouldn't release their names, but they are available to me. If we are going to do the right project and take a look at what the term calls for and that is what we have asked everybody to do for the last six months, I think that the numbers speak for themselves and I don't think we should attempt to criticize any project. We should look at them and say what is best for the seniors and the City of Manchester.

Alderman Shea stated just to kind of pick up on what Alderman Gatsas has indicated, when the figure for the Sears building was quoted, I think it was \$6.8 million or something like that. My understanding without revealing any kind of figures is that the going price for the Sears building at one time according to the

newspaper now was about \$4 million to purchase it. I could be wrong, but that is roughly the number and to put a building of 15,000 square feet, if we are saying that it would cost \$3 million to put a building on the Singer site it would cost another \$3.5 million so that is up to \$7.5 million or \$8 million in order to put that building up. I may be wrong but to purchase the Sears property and to construct a 15,000 square foot building would not be \$6.8 million. There is no way that that would happen because basically you are not going to build a building for \$1 or \$2 million if we are talking \$3.2 million for a 15,000 square foot building. The second point and I don't mean this to be misinterpreted but I wonder how many people who were surveyed in Ward 2 actually have stepped inside a senior center in their whole life. I don't know of too many. The statistics may bear me out but most of the people who go to the senior center are not people who have second homes or go to Florida for the winter or go up north. I have talked to people in Ward 2 and I am basing my assumption on what the people there have told me.

Chairman Cashin stated with all due respect, Alderman Shea, the Alderman from Ward 2 conducted a survey at his own expense and got his results. Now whether they go to the senior center or not is irrelevant. He is referring to his survey.

Alderman Shea replied it is not irrelevant because if people are using a senior center, they are more concerned. I don't go to a senior center because I go to the Executive Health Club. Several other people who live in Ward 2 go to the Executive Health Club and they told me that they don't go to the senior center so what I am trying to get across is why don't we think of the people who would benefit most from a senior center. That is to say why don't we think of the people who are actually going to a senior center? That is what I am trying to say. I am not disputing what he is saying.

Chairman Cashin stated there is no one on this Committee who isn't thinking of the elderly in one way or the other so let's clarify that.

Alderman Shea replied I know that but what I am trying to say is that the people who would benefit more from a senior center are the people who go there, not the people who necessarily have been surveyed.

Mayor Baines stated I have been listening with interest to this discussion obviously because we are facing some very serious issues in our City regarding our priorities. First of all, I want to remind people that when we first embarked upon this study in the previous administration and early in my administration when we continued it we had a much different forecast in terms of some of the bonding dollars that may have been available to the City. Again, we were looking at approximately \$13 million each year over a three-year period. That has changed because of the forecast that has been provided to us by the Finance Office

and supported by Bond Council. That is a reality. As you know, we started out the process this year looking at a bonding capacity of \$7 million. We have stretched that to \$11 million at some risk as the Finance Officer and I will be explaining in detail as we continue with the budget. That could change for the better or that could change for the worse. The other thing that happened, just to remind people about history, was that this Mayor did not include the money to go forward with the police station in the budget last year. That is how that money initially became available. Other issues that we are concerned about are related to the \$1.9 million that you are talking about for parking. I would have a very difficult time supporting taking that money out of that and that relates to economic development activity that is underway in the Millyard. Yes we did have to divert from a plan that was part of a proposal to entice Auto Desk to the area because that was the price to be quite frank with you in negotiations around that property to do that and then when there was a change once they located here in discussions with management we were able to move away from that commitment and began to look at other issues in the Millyard based upon some activity with other buildings there. I believe that moving that \$1.9 million and not setting it aside to address some of the ongoing issues with parking would be the wrong decision at this time based upon some of the economic development activity that is taking place. I would also say to the Board if you were to, in your wisdom, look at the \$1.9 million at this point in time it should go to the schools. To be quite frank with you, it should be set aside for the schools. If you have \$1.9 million that is lying around and we have the conditions that are existing in our schools across this City right now, that is where that money should be used. That is what I would say and that would be my position on that, however, I would recommend that the \$1.9 million or whatever it is exactly be left to address some of the parking issue which will emerge. The other issues that began to surface here in this discussion were what is the senior center. The senior center that I hear some discussion about is a senior center that may exist now. The emerging issues with senior centers are much different than I think some people fathom. You will have in your packet that you will receive tomorrow a report from a group that I put together with representatives from Easter Seals, Catholic Medical Center and Elliot Hospital who came together to talk with Barbara Vigneault what a senior center would look like and how it would evolve over time in providing services and facilities for seniors. Yes, Alderman Shea you go to the Executive Health Club. You are one senior that goes there and I am the other senior that goes there as well. The fact of the matter is that as we develop senior centers going forward they will have facilities such as fitness components to them. They will have other health-related aspects to them as well. It will change. Others who do not go to them now will be coming to them because that is an evolving change that is taking place. If we were to look and we had all of the money that was available, I would have to agree with Alderman Gatsas if, in fact, the Sears site were to become available I think the facts are very clear. That is the most financially viable project for the City going

forward and looking at the needs of bringing departments who have been renting space for almost 20 years...this is not a new problem. This is a problem that has existed in government for 20 years. Alderman Cashin and I have toured facilities throughout the City looking at other available buildings to try and bring some of these departments in and also some alternatives for the senior center site. I will close by saying two things. I am in agreement with Alderman Shea about this. We have had a habit in government and also supporting some of the things that Alderman Levasseur said, of doing things not the right way. I can remember participating in a renovation project at West High School, Alderman Levasseur, during my last few years there with the renovation of the Science Lab and it was not done the way it should have been. I remember making that same kind of a statement when the budget crunch became what it was. I said we would have been better off not to do it and wait until we could do it right to do all of the other things that needed to be done in terms of the renovation of the facility. I agree we have a tendency to do that and as a result, in my view, of not planning properly we are faced with \$3.1 million for the McLaughlin Middle School addition this year. We can look at how the costs have escalated. Now there are people who defend that what we built at the time was the right thing. I don't think it was and I think we are paying a price for that now. I would agree that if the decision is to go with the Singer site I believe we should save and do it properly. I agree with you 100%. I do not support the notion of the \$1.9 million for parking as I articulate so we can agree to disagree on that aspect of it. However, the reality is and this is the final point, the rental lease for the facility on Hanover Street is expiring. Therefore, another option that might be available regarding the building on Maple Street is for the City to go ahead with the purchase. I disagree with some of the figures that have been bandied about in terms of what needs to be done there. I don't agree with that, at least initially. I believe initially that is a walk-in senior center. It is a wonderful space. It is a newly renovated space. I would also agree with Alderman Shea that that facility will have some life beyond the senior center. If the City decided not to use it on the short-term because if we do it saving way the seniors will not have the facility that I believe they should at least initially have. It could be three or four years out depending on what happens with the borings and what happens with that whole prospect down on the Singer site. That is a doable situation financially for the City and it might be a viable short-term if, in fact, the City does want to look long-term, which we need to start doing more and save to do something when we can afford it because we cannot afford to do all of the projects that are on the drawing board now. The Granite Street widening project alone is over \$15 million. It is on track from the state. We have to be either on track with it when it occurs or we are going to be in serious trouble. I think Alderman Thibault, who participates in Southern NH Planning would subscribe to that as well. So, I think there are some viable options here. I think the course is clear from an affordability standpoint. I know there are some aspects of this that we have to discuss in non-public session, which could affect one of the sites going

forward but we have to think about what we can afford and we cannot afford the price tags are on the floor for discussion. Thank you.

Alderman Thibault stated I would just like to reiterate what the Mayor has said about the Granite Street Bridge rehabilitation if I might call it that. This is something that if, in fact, the City plays ball if you will with the state as to when this is going on, the potential for saving here is millions of dollars. I think that the Mayor understands that and I believe I do all so serving on the Southern NH Planning Commission. I think that this is one of the biggest things we have to be careful of. This is one of the things that the City has to do. It is not that we want to do it but we have to do it. I agree with the Mayor on that point. I would just say that as far as the senior center I may not agree 100%. To go to the Sears site or even when they were talking about the Derryfield Park is not something that is feasible. I agree with the Mayor. If we are not going to do it right, let's wait until we can do it right. I would agree with him on the fact that the major issue that is before the City at this time has to be the Granite Street expansion. That is the thing that everybody should look at first and everything else comes in second. I am sorry if the seniors feel that I am going against what I said. I have always said that I was 1,000% with the elderly center at Singer Park and I still believe that is the ideal place, however, that has to be number one.

Alderman Lopez stated in reference to some of the comments that have been made regarding buying the Teamster's Hall now and looking at the other site later, they did that in 1984 with Hanover Street. I have to agree with Alderman Levasseur and Alderman Shea. If we are going to do it, the biggest decision the Committee has to make is selecting the site. That is the big decision. If we wait until next year or the following year until we have all the money, so be it but I think the site is the most critical thing. If you take the Teamster's Hall, who knows when the second phase is going to be done. I am asking the Committee to look at the vision. The vision for what is good. Alderman Gatsas is a very good businessman and I don't doubt the numbers here from the Finance Officer to make it a good business sense but we don't do that in the City. We are not here for profit. We are here to do what the citizens want and need. We spent over \$5 million at Livingston and \$6 million at West Memorial Field. We didn't create those problems and we are not going to solve them overnight. It doesn't mean we have to give everything...it is like your own house. You don't take all of the money you have and put it into one thing. You have to divide it up. I am urging you to select the best site for the future of the senior citizens who need it. The people who have money and the people who go all over the place don't need it. They will be the first to tell you that but there are a lot of people in the high-rises and a lot of people in the community who do need it. The vision that you have down at the Singer Park area is of tremendous value to this City.

Alderman Shea moved to enter into non-public session under the provisions of RSA 91-A:3 II (d). Alderman Levasseur duly seconded the motion. A roll call vote was taken. Aldermen Cashin, Gatsas, Levasseur, Shea and Thibault voted yea. The motion carried.

On motion of Alderman Levasseur, duly seconded by Alderman Shea it was voted to re-enter into public session.

Alderman Shea moved to approve the Singer Park site for the senior center and to continue to set aside money without anybody being able to touch it for any reason and to not request any money in this year's budget but apply a to be determined amount of money to the Singer Park site to bring the amount up from \$1.175 million to \$1.5 million. Alderman Thibault duly seconded the motion.

Alderman Thibault stated I have a problem with what Alderman Shea is saying about the \$1.175 million to the \$1.5 million.

Chairman Cashin replied but you seconded it.

Clerk Bernier asked can we have some clarification on the \$1.175 million and the \$1.5 million. Is that \$1.5 million in addition to the \$1.175 million?

Alderman Shea answered no. We have \$1.175 million set aside right now. What I want to do is add \$325,000 to that amount to bring it up to \$1.5 million for a senior center. That is what I am asking.

Chairman Cashin asked where is the \$300,000 coming from.

Alderman Shea answered maybe it will be voted by the Board. I am asking that the Board okay that. In other words, adding a little bit to the amount.

Chairman Cashin stated I know what you are saying but I don't know where the money is going to come from and we can't bind another Board.

Alderman Shea stated then I withdraw that amount and just say that we have set aside \$1.175 million and I am making a motion that it not be touched.

Chairman Cashin stated again you can say that and as long as this Board is sitting that is fine, but you can't find another Board. If another Board comes in, they can do what they want with that money. We can't bind them.

Alderman Shea asked do you mean another Board of Mayor and Aldermen.

Chairman Cashin answered yes. We have an election coming so the next Board would not be bound by what we are saying. I know what you are saying and I appreciate it and we can mutually agree to it but you can't bind another Board to it.

Chairman Cashin called for a vote on the motion to approve Singer Park as the site for the senior center. The motion carried with Aldermen Cashin and Gatsas being duly recorded in opposition.

Alderman Levasseur moved to take the money from the Seal Tanning Lot of \$1.7 million and apply it to the amount we currently have set aside so that we may begin the construction at the Singer site. Alderman Shea duly seconded the motion.

Mayor Baines stated before you proceed, I would ask the Committee to table that until they have a chance to listen to a discussion from Frank Thomas and Jay Taylor and others who have been working on the parking issues in the Millyard.

Alderman Gatsas asked do we have a right in this Committee to make a motion to move money out of a CIP budget. I don't think we have that right.

Alderman Levasseur stated it is a recommendation.

Alderman Gatsas asked how can we recommend that. We don't have the power to make that recommendation.

Chairman Cashin stated we have the power to recommend, but we don't have the power to dictate. So, you want to take the money from the parking and put it into the senior center? You know that is economic development money, right?

Alderman Levasseur replied yes.

Alderman Thibault stated you just said a few minutes ago that we cannot bind another Board to do something like this. How can we bind them to do this?

Chairman Cashin replied we are not binding anybody. We are making a recommendation to the full Board.

Mr. MacKenzie stated I did want to caution the Committee that I believe the amount of uncommitted monies in that project is less than \$1.7 million. Frank Thomas is not here, but I think the number is closer to \$1.4 million that is uncommitted.

Chairman Cashin stated what you are doing here tonight is very dangerous. This is not right. May I take the floor for one second and just listen to me. It would be much easier for me to go along with the Board on the proposal to go to the Singer site, but I honestly believe that is irresponsible at this time. We just can't do it. Now people talk about being politically motivated and this, that and the other thing. The political thing would be to go along with this.

Alderman Levasseur asked go along with what.

Chairman Cashin answered to go along with the Singer site knowing that you don't have the money. It is a difficult thing for me to sit here and say we can't do it because we just don't have the money. It is hard for me to talk to the elderly people who are out here, but I think we have to face the facts of life. We just can't afford it. We would love to do it if we could, but we can't do it. We just haven't got it. If we had it, we would do it in a minute. I would be happy to do it. We have to be responsible, gentlemen. Now if you want to put it off, that is an option. You can do that. What I am trying to do is...you have given up the lease on the Hanover Street and I am trying to find housing for the elderly that is adequate. If it is short-term, it is short-term. You can always move them out later when you can afford to do that. You can't do that now.

Alderman Levasseur stated I withdraw my motion.

Alderman Shea withdrew his second.

Alderman Levasseur moved to go forward with finding ways to put more money into the bank account for the Singer Park site.

Chairman Cashin stated first of all you have to have an amount.

Alderman Levasseur replied I would like to bring that amount up to \$2 million. Like you said, we can't be bound by it. The next Board could come in and shoot it all down.

Chairman Cashin asked what are the elderly going to do in the meantime.

Alderman Levasseur replied you sit here Alderman Cashin and you say that there is no way to do it but there was no way to do a lot of other things and we found ways to do it. We can reappropriate. CIP hasn't met yet. Alderman O'Neil hasn't yet put his budget together. There are ways we can go out there. I am sure and you can ask Alderman Gatsas, he found ways to find money last year. We put our thinking caps on. We will find some money. We can go forward in this way.

Alderman Shea stated I used the wrong term before but my concern is that we have set aside a certain amount of money for a senior center and I am afraid that if we are not careful that money will be used for other reason. You keep expounding that we have problems here. I am concerned that, and I hate to use the word, but I am concerned that if we spend a certain amount in a short-term then the rest of the money that we have earmarked for them will be taken for some other reason and that is my concern. So, I used the wrong term. I was recommending that we keep the \$1.175 million, at least this Board, for the use of the seniors; exclusively for a senior center. Now I realize that we have problems complicated or compounded by the type of spending that we have previously done. The present Mayor is not responsible for that but we made decisions concerning different types of situations in the City and now we have to pay the price for that. I can't see when we are discussing the seniors, why we can be very generous towards other parts of the population whether it is the youth or other types but we can't treat the seniors decently. I just don't understand that. We put a dollar and cents mark on when it comes to them. It isn't fair. Even if we are losing tax money at their expense, we are losing tax money at all kinds of expenses and we never really considered the implications of those situations until after the fact. I would tend to agree with Alderman Levasseur. Let's just give the seniors a certain amount and bring up their morale and say we are thinking about them and we are going to try to do what is right for them. Maybe in the long run Singer Park will be, because of extenuating circumstances, not the right site but I think we can make it the right site if we do the right things. We made a certain section the right site for a civic center and we had certain problems there and I am sure there will be problems we can't anticipate now but we shouldn't be short-sighted in our view of this because I think that the seniors would like to have some kind of assurance that we are still thinking about them.

Chairman Cashin stated this community, I believe, has been extremely helpful and very cooperative with the elderly and I think we have bent over backwards for the elderly in the last 30 years. They have come a long way since I first took office and I don't think this community has to apologize to the elderly or to any other section of this City. We have worked very hard to try to accommodate everyone the best we could. No one has taken advantage of the elderly and I don't feel that that is a realistic statement to make. When I first got on the Board there was one high rise in the City of Manchester and now you drive around and see how many you have. You had no elderly centers when I first got on the Board and now you have two. You had no things like Prime Time at the Hampshire Plaza. None of these things were available. This community has done very well for people and you know there are a certain amount of elderly people who own their own homes and are going to have to pay all these things. Let's not forget them either. There are a lot of aspects to this other than saying we are going to build an elderly center

down at Singer Park. That is wonderful and I wish we could do it, but we have to be practical and we have to be responsible.

Alderman Shea replied may I answer that. A lot of the things that you have cited are government sponsored things. It is not that the City built the high rises, the government built those high rises. Prime Time is not connected to the City; it is connected to the Elliot Hospital.

Chairman Cashin asked where do you think all of this funding comes from. It is all tax money, isn't it Alderman?

Alderman Shea replied yes it is tax money but we as a community haven't done what is right for the seniors.

Chairman Cashin responded of course we have.

Alderman Shea ask you are telling me that we have treated the seniors exactly the same when we put \$5 million up at Livingston Park and...

Alderman Gatsas interjected I have listened to Livingston Park long enough from Aldermen on this Board. I kind of resent it because I have dipped into my pocket to help Livingston Park. We ought to leave Livingston Park and the initiatives that we have done there out of this conversation. I keep hearing it and I don't appreciate it. Let's talk about the seniors and let's leave everything else alone because I have tried to keep this at that dialogue. We have seniors who come in here and I think it is unfair for them for one second to believe that this Board or the entire Board votes for Singer Park and tomorrow the borings come back and you can't build a building there in the next two years. That is an unfair thing to do to them. It is unfair.

Alderman Shea stated we put tax money into...

Alderman Gatsas asked, Mr. Wallace, in your professional opinion did you see the boring.

Mr. Wallace answered yes.

Alderman Gatsas asked in your professional opinion, with a boring being done five feet away from each other is that a normal boring test that you would see if you went in to do an analysis on a building.

Mr. Wallace answered no.

Alderman Gatsas asked would it be justifiable to be fair to the seniors that we go out and if we are going to spend this money and we are going to tell them that that is where they are going because that is where their heart is bent on going and then two years from now we say you can't go there because we can't put a building there is that a fair thing to do to them.

Mr. Wallace replied that is not an architectural question.

Alderman Gatsas stated well architecturally you looked at the borings. More borings have to be done because five feet is certainly not a suitable situation for borings. Looking at what they did in the two borings would you think that there was a problem to do some pilings there?

Mr. Wallace replied the borings indicated that there would be pilings required. There is definitely some sub soil conditions that are questionable at that site.

Alderman Levasseur asked is it impossible to do.

Mr. Wallace asked what.

Alderman Levasseur answered to put piles in and get a foundation.

Mr. Wallace replied no. You could put piles in. It is just going to cost more money.

Alderman Gatsas asked how much more money.

Mr. Wallace answered we had estimated and I don't remember the exact number but the budget you had had an amount for putting pilings in.

Alderman Gatsas asked and that was based on the ones you saw. A boring different from that could mean a whole different situation, right?

Mr. Wallace answered we had to make assumptions based on the information we had.

Alderman Levasseur stated Kevin Clougherty made assumptions and we are going along with those too.

Alderman Shea asked did we have borings at the civic center. What I am trying to get across is if there is a will to do it we can do it, can't we? Can't we do it? We did it at the civic center. We removed contaminated soil there and there were questions about whether or not there were oil deposits there. I don't really think

and I prefaced my remark before Alderman Gatsas interrupted me as far as that is concerned by saying that it may be that Singer Park may not be a site. I am not saying that it is, but unless we decide on a site and examine all of the implications there then we won't know for sure and that is what I was saying. Any project that has been done in this City has used taxpayers money whether it is West Memorial Field, whether it is Prouts Park, whether it is Livingston Park, whether it is the civic center, whether it is the Riverwalk, whether it is schools and so forth and seniors who own their homes have always paid taxes for those particular projects.

Mayor Baines stated an observation that I am going to make is we do have a parking study that is coming forward. I believe and I may be proven wrong but when that information comes to this Board I do not believe that this Board collectively would divert that money. The point that I want to make is that I don't believe that money will be available after the Board sees the study. Secondly, we have an immediate issue and that is relative to the lease expiring and our ability to perhaps look at a property that if you want to look at it short-term or look at it the way you want to has the ability to be financially viable for the City. It would have the ability of the City to turn around at another date either to sell it off so it wouldn't be a loss to the City. It is also property that is adjacent to property that we own now so it might make some sense in that context and we could put the seniors in a newer facility almost immediately. I think that should at least be on the horizon for discussion. The affordability, the ability to move forward quickly and then looking long-term at another area once we get more information.

Alderman Levasseur asked are you talking about Maple Street.

Mayor Baines answered yes.

Alderman O'Neil stated I think you have a number of steps that you have to do here. First of all, you have to make a determination is Barbara Vigneault going to renew the lease or not renew the lease. There is actually a vote before the Board tomorrow night. Barbara needs to make that call by May 1.

Ms. Vigneault stated it is a 20-year lease with 5-year options and the last option term is up so you could extend the lease or make negotiations if you had to extend the lease for a shorter period of time.

Alderman O'Neil asked but if the Board decides not to renew that lease then you need to find a home in the interim even if it is the intent to go forward with Singer Park you need to find a home for them in the interim. There is also a memo in our package that says in order to move forward on Singer Park and Dennis Anctil from the Highway Department is here, I believe the state would require additional testing on that site correct at a cost of about \$20,000 to \$25,000 so you need to

find funds to do that if you are going to continue forward. Those would be my recommendations. You have to make a call on the lease. If it is all done then you have to find a home for the east side senior center in the interim and if it your intent in the long-term whether it takes you a year to do it or two years or three years to do a permanent home at Singer Park then you need to do those additional borings and see what the results of those tests are.

Chairman Cashin stated it was a unanimous vote of this Board that we recommend to the full Board that we do not renew the lease on Hanover Street.

Alderman O'Neil replied then after November 1 we better have a home for the East Side senior center.

Chairman Cashin stated that is what I have been saying. We have to find something in the meantime.

Alderman Gatsas asked, Barbara, how many people go to the East Side center on a daily basis.

Ms. Vigneault answered about 45. It is not just the senior center activities but people come into the office for case management and other programs. It is not just socialization activities. It is also for people who come in for...you know families might come in for folks they are taking care of to get case plans done and things like that.

Alderman Shea asked with that type of an activity, how large of an area would you need to handle that.

Ms. Vigneault answered what we have there now is adequate for what we have now but it is not broken up into smaller rooms, which we could really utilize on the east side.

Alderman Shea asked for people who come in for case management and so forth, can you conduct that out of a large room.

Ms. Vigneault answered we do that right in the office area.

Alderman Shea asked you can do that in an office area.

Ms. Vigneault answered right.

Alderman Shea asked how much does the lease cost per year.

Ms. Vigneault answered \$47,600 a year.

Alderman Shea asked do we pay for electricity.

Ms. Vigneault answered yes. That is \$6,660 a year.

Alderman Shea asked so that is added to the \$47,600 and do we pay for custodial help too.

Ms. Vigneault answered no. Custodial is included in the rent.

Alderman Shea asked for heat or utilities do we pay for anything like that.

Ms. Vigneault answered it is in the electric.

Alderman Shea stated so it is \$47,600 plus \$6,660, which is roughly \$53,600.

Alderman Gatsas asked how many people go there for activities.

Ms. Vigneault answered between 8 AM and 4 PM there are about 45 people who come in for activities. That includes the programs that we run administratively like folks who come in for our services in the office. For socialization you probably have 35 or 40.

Alderman O'Neil asked, Barbara, the \$47,000 in rent was in the existing lease and we don't know what the new lease will be correct.

Ms. Vigneault answered it has five year option terms and this is the last option. They also can increase the rent if they have any increase in taxes. We have to pay a portion of that.

Chairman Cashin asked what do you have in your budget for rent. \$50,000?

Ms. Vigneault answered no. It is the exact amount of what we are paying for rent.

Chairman Cashin asked what is it.

Ms. Vigneault answered \$47,600.

Chairman Cashin asked that is in your budget now.

Ms. Vigneault answered right.

Alderman Lopez asked, Mr. MacKenzie, in your professional opinion a building could be built down there and I have asked you a couple of questions and maybe we can share those with the Committee in reference to the piling which is roughly 70 feet. I talked to Mr. Thomas today and he said that is approximately \$100,000 to \$110,000 to put the pilings in. Would you like to comment on that please?

Mr. MacKenzie answered I think in the final analysis we assumed approximately \$100,000 for the special foundation. It is a fairly difficult site to build on but at this point it does look like it could be done.

Chairman Cashin notified the Committee that he would be coming in with a minority report on the Maple Street property.

Alderman Gatsas notified the Committee that he would be coming in with a minority report on the Sears site.

Chairman Cashin stated we have one more item, which is on the request from PSNH for a quitclaim deed relating to the March Avenue discontinuation.

On motion of Alderman Levasseur, duly seconded by Alderman Shea, it was voted to recommend that the City convey a Quitclaim Deed to Properties, Inc., a wholly owned subsidiary of Public Service Company of New Hampshire, such conveyance subject to the payment of \$26,130.00 considered to be fair market value by the Board of Assessors and further that the Mayor be authorized to execute any and all documents relating to the conveyance subject to reserving utility easements as may be required by the Highway Department and subject to review and approval of the City Solicitor.

There being no further business, on motion of Alderman Shea, duly seconded by Alderman Levasseur, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee